

FACT SHEET

Salvage Certificates of Title

PURPOSE:

This fact sheet provides basic information regarding salvage vehicles and the issuance of Salvage Certificates of Title by insurance companies, salvage pools, and the state of Idaho. It provides instructions for applying for salvage certificates and subsequent branded titles.

DEFINITIONS:

Reconstructed or Repaired Vehicle: A vehicle that has been rebuilt using like make and model parts and that looks like a vehicle that was originally constructed by a distinctive manufacturer. This includes vehicles previously declared salvage that have been branded prior to July 1, 2008, "reconstructed vehicle" or "repaired vehicle," and replica (kit) vehicle, but does not include glider kits.

Rebuilt Salvage: A vehicle previously declared salvage that has been rebuilt or repaired using like make and model parts and visually appears as a vehicle that was originally constructed under a distinctive manufacturer.

Salvage Vehicle: Any vehicle (1) having a salvage certificate, salvage bill of sale, or other documentation showing evidence that the vehicle has been declared salvage, or (2) which has been damaged to the extent that the owner or an insurer or other person acting on behalf of the owner, determines that the cost of parts and labor minus the salvage value makes it uneconomical to repair or rebuild, or (3) for which an insurance company has paid money or made other settlement as compensation for a total-loss vehicle. Insurance companies must issue a salvage certificate for all vehicles deemed salvage or a total-loss.

Theft Recovery: A vehicle acquired by an insurance company in the settlement of a theft claim that has been recovered and is not a salvage vehicle.

Total Loss Vehicle: Every vehicle deemed uneconomical to repair due to scrapping, dismantling, or destruction. A total loss shall occur when an insurance company or any other person pays or makes other monetary settlement to the owner when it is deemed to be uneconomical to repair that damaged vehicle. The compensation for total loss as defined herein shall not include payments by an insurer or other person for medical care, bodily injury, vehicle rental, or for anything other than the amount paid for the actual damage to the vehicle.

Owner-Retained Salvage: When a vehicle has been declared a total loss and the titled owner retains ownership of the vehicle.

Salvage Pool: A licensed vehicle dealer engaged primarily in the business of disposing of salvage vehicles, recovered stolen vehicles, or both.

SALVAGE CERTIFICATE ISSUANCE:

A salvage certificate will be issued to any vehicle that meets the definition of "Salvage Vehicle" (see definition above). A salvage certificate shall also be issued when an insurer has acquired a vehicle in the settlement of a theft claim.

The salvage certificate serves as the legal ownership document for the vehicle and will take the place of the previous title or manufacturer's certificate of origin (MCO).

- If the vehicle was declared a total loss and an insurance company paid damage to the owner and received the certificate of title, the insurance company must issue a salvage certificate of title prior to resale of the vehicle and must surrender to the department the ownership documents, a copy of the salvage certificate, and salvage certificate fees.
- If the vehicle was declared a total loss and an insurance company paid damage to the owner and the owner retained ownership of the vehicle and the certificate of title, the insurance company must notify the department and the owner must apply for a *Salvage Certificate of Title* from the Idaho Transportation Department within 30 days of the date the claim was satisfied. If the owner of a retained salvage vehicle fails to surrender the title and be issued a salvage certificate, or sells the vehicle without telling the buyer that the vehicle is totaled, it is a misdemeanor punishable by up to six months in jail, a \$1,000 fine, or both.
- If a salvage pool takes into possession a salvage vehicle and the ownership is not evidenced by a salvage certificate, the salvage pool must issue an Idaho *Salvage Certificate of Title* and surrender ownership documents, a copy of the salvage certificate, and the salvage certificate fees to the department within 30 days of receipt of the title.
- If the vehicle was not covered by an insurance company and the owner determines the vehicle to be salvage, the owner must apply for a salvage certificate of title from the Idaho Transportation Department.

APPLICATION FOR SALVAGE CERTIFICATE:

The titled owner of a vehicle declared salvage must apply for a salvage certificate with the Idaho Transportation department in situations where a salvage certificate was not issued by an insurance company or salvage pool, e.g. when the titled owner retained the salvage vehicle after receiving settlement from the insurance company. To obtain a salvage certificate, the applicant needs to submit the following:

- Application for salvage certificate (form ITD-3312)
- \$15.00 salvage certificate fee (make check payable to "Idaho Transportation Department")

If the applicant purchased a salvage vehicle retained by the owner after receiving payoff from his insurance company, sales tax on the purchase price must also be submitted with the application for salvage certificate and salvage certificate fee.

The application and check should be mailed to: Idaho Transportation Department, Attn: Vehicle Services Salvage Desk, PO Box 34, Boise, ID 83731-0034. The salvage certificate will be issued and returned to the address indicated on the application.

APPLICATION FOR BRANDED TITLE:

After a salvage vehicle has been repaired to meet the equipment requirements of Title 49, Chapter 9, Idaho Code, the owner may take the salvage certificate to his county assessor's motor vehicle office to apply for a branded title and to register vehicle. There, he will need to complete a salvage vehicle statement (form ITD-3311), and pay an \$8.00 title fee. Vehicles with salvage certificates cannot be registered until an application for title has been completed and submitted. The owner may apply for title and register it at the same time.

BRANDED TITLE:

After a salvage certificate has been surrendered with an application for title and other pertinent forms and fees, the title will be issued with the brand "Rebuilt Salvage Vehicle". The brand will appear in the "Other Pertinent Data" section of the title, just below the vehicle description and to the right of the owner information. The brand will remain on the title for the life of the vehicle.

OUT-OF-STATE SALVAGE VEHICLES:

If a salvage vehicle is acquired in a state or jurisdiction which does not require the surrender of the title or comparable ownership document, the purchaser must surrender the title and apply for an Idaho salvage certificate within 30 days of receipt of the title. If a vehicle titled in Idaho becomes a salvage vehicle (according to Idaho's definition) in another state, the owner or insurer must notify the Idaho Transportation Department and any purchaser in writing of the salvage status. If the vehicle returns to Idaho, it will be branded "Rebuilt Salvage Vehicle", or a comparable brand on an out-of-state title will be carried forward.

THEFT CLAIMS:

Whenever an insurer has acquired a vehicle in a settlement of a theft claim and has issued a salvage certificate, and the vehicle is subsequently recovered and is not a salvage certificate, the insurance company must complete an indemnifying affidavit (form ITD-3410) stating these facts, and deliver this form and the salvage certificate to any purchaser. When the documents are submitted with an application for title, the subsequent title will carry the notation "Theft Recovery" in the "Other Pertinent Data" section of the title.

NO EXEMPTIONS:

Any vehicle declared a salvage vehicle that has that is required to be titled must comply with salvage requirements explained in this fact sheet. Vessels required to be titled or which have been optionally titled which are salvage must also comply with these requirements. FORMS All forms referenced in this fact sheet are available at your local county assessor's motor office or on the Internet at dmv.idaho.gov. Select "Vehicle Services", and then under "Forms and Other Information", select "Vehicle Titling".

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This fact sheet has been provided by:

Idaho Transportation Department • Vehicle Services • Post Office Box 7129 • Boise, Idaho 83707-1129

The Idaho Transportation Department is committed to full compliance with Title VI of the Civil Rights Act and all related regulations. For more information call the EEO Office at (208) 334-8852.

